

WEBSTER PARISH SHERIFF
Minden, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2007
With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/23/08

WEBSTER PARISH SHERIFF
Minden, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2007
With Supplemental Information Schedules

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Independent Auditor's Report

WEBSTER PARISH SHERIFF

Minden, Louisiana

I have audited the basic financial statements of the Webster Parish Sheriff, a component unit of the Webster Parish Police Jury, as of June 30, 2007, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Webster Parish Sheriff's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

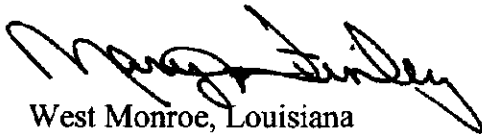
In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Webster Parish Sheriff as of June 30, 2007, and the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

Management's discussion and analysis, and supplementary information on pages 6 through 10 and 34 through 37, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Webster Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

WEBSTER PARISH SHERIFF
Minden, Louisiana
Independent Auditor's Report,
June 30, 2007

In accordance with *Government Auditing Standards*, I have also issued a report dated November 23, 2007, on my consideration of the Webster Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana
November 23, 2007

REQUIRED SUPPLEMENTARY INFORMATION
PART I

WEBSTER PARISH SHERIFF
Minden, Louisiana

Management's Discussion and Analysis
June 30, 2007

As management of the Webster Parish Sheriff, I offer readers of the Webster Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Webster Parish Sheriff for the fiscal year ended June 30, 2007. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Webster Parish Sheriff's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Webster Parish Sheriff's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Webster Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Webster Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Webster Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Webster Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Webster Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Webster Parish Sheriff's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Webster Parish Sheriff exceeded liabilities by \$6,917,667. The largest portion of the Webster Parish Sheriff's net assets reflects its reserve for debt service.

The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Webster Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET ASSETS

ASSETS	<u>2006</u>	<u>2007</u>
Cash and cash equivalents	\$3,236,251	\$4,700,070
Investments	2,341,433	3,651,874
Receivables	597,760	513,268
Food Inventory	21,749	1,924
Capital assets (net of accumulated depreciation)	<u>5,797,008</u>	<u>5,612,822</u>
TOTAL ASSETS	<u>11,994,201</u>	<u>14,479,958</u>
 LIABILITIES		
Accounts payable	113,113	104,633
Salaries payable	139,450	160,031
Payroll deducts payable	5,779	4,845
Compensated absences payable	575,730	677,372
Interest payable	80,852	57,997
Due to state		
Deferred revenue - Protest Taxes	40,505	40,523
Long term liabilities:		
Due with one year	212,000	335,000
Due in more than one year	6,521,000	7,316,000
Deferred principal and issuance costs		<u>(1,134,110)</u>
TOTAL LIABILITIES	<u>7,688,429</u>	<u>7,562,291</u>
 NET ASSETS		
Invested in capital assets, net of related debt	370,868	(270,267)
Reserved for debt service	2,341,433	3,593,877
Reserved for inventory	21,749	1,924
Unrestricted	<u>1,571,722</u>	<u>3,592,133</u>
TOTAL NET ASSETS	<u>\$4,305,772</u>	<u>\$6,917,667</u>

STATEMENT OF ACTIVITIES

	<u>2006</u>	<u>2007</u>
Public Safety:		
Personal services	\$5,419,323	\$5,696,508
Operating services	1,358,727	1,548,384
Materials and supplies	655,358	668,317
Travel	44,921	35,854
Debt service - Interest & other	490,173	361,935
Depreciation expense	<u>387,489</u>	<u>400,845</u>
Total Program Expenses	<u>8,355,991</u>	<u>8,711,843</u>
Program revenues:		
Commissions on licenses and taxes	101,999	121,838
Civil and criminal fees	372,454	407,549
Court attendance	8,927	8,568
Feeding and keeping prisoners	3,850,703	4,539,517
Other	<u>17,342</u>	<u>6,707</u>
Total program revenues	<u>4,351,425</u>	<u>5,084,179</u>

Net Program Expenses	<u>(\$4,004,566)</u>	<u>(\$3,627,664)</u>
General revenues:		
Taxes		
Ad valorem	1,998,901	2,126,104
Sales tax	2,624,634	2,926,260
Grants and contributions not restricted to specific programs:		
Federal sources	177,216	91,693
State sources		
State supplemental pay	209,269	223,238
State revenue sharing (net)	101,989	102,064
Video poker	369,430	441,806
Other	36,865	31,636
Local sources	235,386	40,595
Interest earned	111,008	134,282
Other	420,775	96,612
Special items:		
Proceeds from insurance	296	32,988
Gain/Loss on asset disposal	9,408	(15,738)
Proceeds from drug seized property sale	13,768	8,019
Change in Net Assets	<u>2,304,379</u>	<u>2,611,895</u>
NET ASSETS		
Beginning of year	<u>2,001,393</u>	<u>4,305,772</u>
End of year	<u><u>\$4,305,772</u></u>	<u><u>\$6,917,667</u></u>

Financial Analysis of the Government's Funds

As noted earlier, the Webster Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2007, combined governmental fund balances of \$8,557,104 shows an increase of \$2,658,758 over June 30, 2006. The General Fund's portion of the unreserved, undesignated fund balance of \$1,543,217 shows an increase (of approximately \$456,412) from the prior year amount. The Detention Center portion or the unreserved, undesignated fund balance of \$4,418,952 shows an increase (of approximately \$1,134,418) from the prior year amount.

General Fund and Major Fund Budgetary Highlights

There were no budget amendments for the General Fund for the audit year.

In the Detention Center, the original budget differed from the final budget due to an increase in the anticipated expenditures of materials and supplies.

Capital Asset and Debt Administration

Capital assets. The Webster Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2007, amounts to \$5,612,822 (net of accumulated depreciation). This investment includes land, buildings, furniture, and equipment. The increase in capital assets for the year was \$232,405 the majority of which was attributable to the purchase law enforcement vehicles. There were deletions of \$178,527 for the year.

Long-term debt. At the end of the fiscal year, Webster Parish Sheriff had \$8,328,372 debt outstanding.

Requests for Information

This financial report is designed to provide a general overview of the Webster Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Webster Parish Sheriff, 410 Main Street, Minden LA 71055.

November 23, 2007

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH SHERIFF
Minden, Louisiana

STATEMENT OF NET ASSETS
June 30, 2007

ASSETS

Cash and cash equivalents	\$4,700,070
Investments	3,651,874
Receivables	513,268
Food Inventory	1,924
Capital assets (net of accumulated depreciation)	<u>5,612,822</u>
TOTAL ASSETS	<u>14,479,958</u>

LIABILITIES

Accounts payable	104,633
Salaries payable	160,031
Payroll deducts payable	4,845
Compensated absences payable	677,372
Interest payable	57,997
Deferred revenue - Protest Taxes	40,523
Long term liabilities:	
Due with one year	335,000
Due in more than one year	7,316,000
Deferred principal and issuance costs	<u>(1,134,110)</u>
TOTAL LIABILITIES	<u>7,562,291</u>

NET ASSETS

Invested in capital assets, net of related debt	(270,267)
Reserved for debt service	3,593,877
Reserved for inventory	1,924
Unrestricted	<u>3,592,133</u>
TOTAL NET ASSETS	<u>\$6,917,667</u>

The accompanying notes are an integral part of this statement.

Statement B

WEBSTER PARISH SHERIFF
Minden, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2007

Public Safety:	
Personal services	\$5,696,508
Operating services	1,548,384
Materials and supplies	668,317
Travel	35,854
Debt service - Interest & other	361,935
Depreciation expense	400,845
Total Program Expenses	<u>8,711,843</u>
Program revenues:	
Commissions on licenses and taxes	121,838
Civil and criminal fees	407,549
Court attendance	8,568
Feeding and keeping prisoners	4,539,517
Other	6,707
Total program revenues	<u>5,084,179</u>
Net Program Expenses	<u>(3,627,664)</u>
General revenues:	
Taxes	
Ad valorem	2,126,104
Sales tax	2,926,260
Grants and contributions not restricted to specific programs:	
Federal sources	91,693
State sources:	
State supplemental pay	223,238
State revenue sharing (net)	102,064
Video poker	441,806
Other	31,636
Local sources	40,595
Interest earned	134,282
Other	96,612
Special items:	
Proceeds from insurance	32,988
Loss on asset disposal	(15,738)
Proceeds from drug seized property sale	8,019
Change in Net Assets	<u>2,611,895</u>
NET ASSETS	
Beginning of year	<u>4,305,772</u>
End of year	<u><u>\$6,917,667</u></u>

The accompanying notes are an integral part of this statement.

Statement C

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2007

.....MAJOR FUNDS.....

	GENERAL FUND	DETENTION CENTER	SALARY FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$1,506,115	\$599,223	\$2,594,732	\$4,700,070
Investments		3,651,874		3,651,874
Receivables	191,641	321,424	203	513,268
Food Inventory		1,924		1,924
TOTAL ASSETS	<u><u>\$1,697,756</u></u>	<u><u>\$4,574,445</u></u>	<u><u>\$2,594,935</u></u>	<u><u>\$8,867,136</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$27,083	\$77,550		\$104,633
Salaries payable	82,435	77,596		160,031
Payroll deducts payable	4,498	347		4,845
Deferred revenue - Protested taxes	40,523			40,523
Total Liabilities	<u>154,539</u>	<u>155,493</u>	<u>NONE</u>	<u>310,032</u>
Fund Equity:				
Fund Balance:				
Reserved for inventory		1,924		1,924
Reserved for debt service		3,651,874		3,651,874
Unreserved - undesignated	<u>1,543,217</u>	<u>765,154</u>	<u>2,594,935</u>	<u>4,903,306</u>
Total Fund Equity	<u>1,543,217</u>	<u>4,418,952</u>	<u>2,594,935</u>	<u>8,557,104</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$1,697,756</u></u>	<u><u>\$4,574,445</u></u>	<u><u>\$2,594,935</u></u>	<u><u>\$8,867,136</u></u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets

For the Year Ended June 30, 2007

Total Fund Balances at June 30, 2007 - Governmental Funds (Statement C)		<u>\$8,557,104</u>
Cost of capital assets at June 30, 2007	\$7,717,771	
Less: Accumulated depreciation as of June 30, 2007	<u>(2,104,949)</u>	5,612,822
Long term liabilities at June 30, 2007:		
Bonds payable	6,516,890	
Compensated absences payable	677,372	
Accrued interest payable	<u>57,997</u>	<u>(7,252,259)</u>
Net Assets at June 30, 2007 (Statement A)		<u><u>\$6,917,667</u></u>

The accompanying notes are an integral part of this statement.

Statement D

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUND TYPES

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2007

MAJOR FUNDS.....			
	GENERAL FUND	DETENTION CENTER	SALARY	TOTAL
REVENUES				
Taxes:				
Ad valorem	\$2,126,104			\$2,126,104
Sales tax			\$2,926,260	2,926,260
Intergovernmental revenues:				
Federal grants	91,693			91,693
State grants:				
State supplemental pay	223,238			223,238
State revenue sharing (net)	102,064			102,064
Video poker	441,806			441,806
Other	31,636			31,636
Local grants	40,595			40,595
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	121,838			121,838
Civil and criminal fees	407,519			407,519
Court attendance	8,568			8,568
Feeding and keeping of prisoners		\$4,539,517		4,539,517
Other	6,707			6,707
Use of money and property	7,931	126,351		134,282
Miscellaneous	89,661	6,981		96,642
Total revenues	3,699,360	4,672,849	2,926,260	11,298,469
EXPENDITURES				
Public safety:				
Current:				
Personal services and related benefits	2,897,588	2,697,270		5,594,858
Operating services	805,621	742,763		1,548,384
Materials and supplies	302,057	366,260		668,317
Travel and other charges	27,430	8,424		35,854
Debt service		788,023		788,023
Capital outlay	172,865	59,540		232,405
Total expenditures	4,205,561	4,662,280	NONE	8,867,841

(Continued)

Statement D

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUND TYPES
Statement of Revenues, Expenditures, and
Changes in Fund Balance

MAJOR FUNDS.....			
	GENERAL FUND	DETENTION CENTER	SALARY	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$506,201)	\$10,569	\$2,926,260	\$2,430,628
OTHER FINANCING SOURCES (Use):				
Proceeds from insurance	32,988			32,988
Proceeds from drug seized property sale	8,019			8,019
Proceeds from revenue bonds		6,585,000		6,585,000
Payment to escrow agent		(6,294,430)		(6,294,430)
Discount on refunding bonds		(103,447)		(103,447)
Operating transfer in	921,606	936,726		1,858,332
Operating transfers out			(1,858,332)	(1,858,332)
Total Other Financing Sources (Use)	962,613	1,123,849	(1,858,332)	228,130
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	456,412	1,134,418	1,067,928	2,658,758
FUND BALANCE AT BEGINNING OF YEAR	1,086,805	3,284,534	1,527,007	5,898,346
FUND BALANCE AT END OF YEAR	<u>\$1,543,217</u>	<u>\$4,418,952</u>	<u>\$2,594,935</u>	<u>\$8,557,104</u>

(Concluded)

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2007

Total net change in fund balances - governmental funds (Statement D)	\$2,658,758
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the period.	(168,440)
In the Statement of Activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(101,650)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, gain on disposition of assets increased when the asset is disposed.	(15,738)
The issuance of long term debt (refunding bonds) and payments to the refunding escrow agent are treated in governmental activities as other financing sources and uses, whereas those transactions are not reported in the government wide statement of activities but are carried to the statement of net assets.	(290,570)
In the government wide financial statements, the difference between the refunding bond issue (\$6,585,000) and the book value of defeased bonds (\$5,420,000) is reported as a deferred amount for long-term debt and amortized over the life of the bonds but the annual deferral amount is not recognized in the governmental funds.	(23,190)
Discounts on bond issues and other costs of issuance are reported as an expenditure in the governmental funds but are carried to the government wide statement of net assets and amortized over the life of the bonds. This is the difference between the total deferred costs (\$290,570) carried to the statement of net assets and the amount (\$7,700) amortized for the current year.	282,870
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	22,855
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	<u>247,000</u>
Change in net assets of governmental activities (Statement B)	<u>\$2,611,895</u>

The accompanying notes are an integral part of this statement.

Statement E

WEBSTER PARISH SHERIFF
Minden, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2007

	<u>TAX COLLECTOR FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE FUNDS</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	<u>\$142,941</u>	<u>\$46</u>	<u>\$199,394</u>	<u>\$441,777</u>	<u>\$784,158</u>
LIABILITIES					
Unsettled deposits due to others	<u>\$142,941</u>	<u>\$46</u>	<u>\$199,394</u>	<u>\$441,777</u>	<u>\$784,158</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

The sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. Additionally, the sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

The accompanying financial statements of the Webster Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Webster Parish Police Jury is the financial reporting entity for Webster Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Webster Parish Police

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Webster Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Webster Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts;

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Allocation of Indirect Expenses - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

Governmental Fund Types

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the sheriff and is used to account for the operations of the sheriff's office. The various fees and charges due to the sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources such as grants and state and parish funds for maintaining state and parish prisoners. Those revenues are restricted to expenditures for specified purposes.

Fiduciary Fund Type - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

WEBSTER PARISH SHERIFF

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Notes to the Financial Statements (Continued)

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The sheriff's office current year financial statements include the following major governmental funds:

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

The General Fund is the sheriff's primary operating fund. It accounts for all financial resources of the general government, except for the detention center and those required to be accounted for in another fund.

The Bayou Dorcheat Detention Center Fund accounts for the cost of housing prisoners convicted of state and federal offenses at the parish prison. Financing is provided by fees charged by the federal, state and local governments

The Salary Fund is for salaries for the sheriff's department and detention center employees. It is funded by a sales tax dedicated to salaries.

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the sheriff has cash and equivalents (book balances) totaling \$5,484,228 as follows:

Demand deposits	\$5,381,678
Petty Cash	2,550
Time deposits	<u>100,000</u>
Total	<u>\$5,484,228</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2007, are secured as follows:

Bank balances	<u>\$5,835,771</u>
Federal deposit insurance	\$383,371
Pledged securities (uncollateralized)	<u>11,771,169</u>
Total	<u>\$12,154,540</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

F. INVESTMENTS

Under state law, the sheriff may invest funds in obligations of the United States, in federally insured investments, investment grade (A-1/P-1) commercial paper of domestic corporations or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments are grouped into three categories of credit risk:

1. Insured or registered, or for which the securities held by the sheriff or its agent in the sheriff's name.
2. Uninsured and unregistered, with securities held by the bank's trust department or agent in the sheriff's name.
3. Uninsured and unregistered, with securities held by the bank, or by its trust department or agent but not in the sheriff's name.

Investments in marketable securities (United States Treasury Notes) are reported at their cost on Statement A, which is not materially different from their market value, as follows:

Cost	\$3,651,874
Fair market value	<u>3,648,761</u>
Unrealized loss	<u><u>(\$3,113)</u></u>

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2007.

I. SALES TAX

On January 15, 2005, voters of the parish approved a one-half of one per cent (½%) sales tax dedicated for the purpose of payment of salaries and benefits of deputies. The sheriff's office has entered into an agreement with the Webster Parish Sales Tax Commission for collection of the tax.

J. VACATION AND SICK LEAVE

After one year of service, all employees are granted 14 days of vacation leave each year. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Upon termination, unused vacation leave is paid to employees at the rate of their present salary. Vacation leave cannot be accumulated past the year it is earned. Sick leave is granted as needed and justified. Employees earn compensatory time, which can be carried forward. Upon termination, unused compensatory time is paid to employees at their current rate of pay.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. At June 30, 2007, employees of the sheriff's office have \$677,372 of accumulated compensatory time.

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

2. RECEIVABLES

The receivables of \$513,268 at June 30, 2007, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Salary</u>	<u>Total</u>
Taxes - ad valorem	\$90			\$90
Intergovernmental revenues:				
Federal grants	7,670			7,670
State grants	115,358			115,358
Fees, charges, and commissions for services:				
Commissions on licenses, taxes, etc.	\$11,854			\$11,854
Civil and criminal fees	13,656			13,656
Feeding and keeping prisoners		\$321,424		321,424
Miscellaneous	43,013		\$203	43,216
Total	<u>\$191,641</u>	<u>\$321,424</u>	<u>\$203</u>	<u>\$513,268</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2007, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Fund				
Buildings	\$6,017,802			\$6,017,802
Vehicles	1,350,783	\$193,117	(\$158,132)	1,385,768
Equipment	291,803	37,544	(20,395)	308,952
DARE Equipment	3,505	1,744		5,249
Total assets	<u>\$7,663,893</u>	<u>\$232,405</u>	<u>(\$178,527)</u>	<u>\$7,717,771</u>

A summary of assets net of accumulated depreciation follows:

Total assets	<u>\$7,717,771</u>
Prior year accumulated depreciation	(1,866,893)
Current year depreciation	(400,845)
Deletions	<u>162,789</u>
Net capital assets	<u>\$5,612,822</u>

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

4. PENSION PLAN

Substantially all employees of the Webster Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 4, 1979 and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000 are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Plan members are required by state statute to contribute 10 percent of their annual covered salary and the Webster Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Webster Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Webster Parish Sheriff's contributions to the System for the years ended June 30, 2007, 2006, and 2005 were \$460,408, \$419,942, and \$251,875, respectively, equal to the required contributions for each year.

5. LONG-TERM OBLIGATIONS

On September 20, 2006, the sheriff issued \$6,585,000 in revenue bonds with interest rates ranging from 4.0 to 4.5 percent to advance refund \$5,420,000 of certain outstanding 2000 and 2001 series bonds with interest rates ranging from 6.0 to 7.3 percent. The net proceeds of \$6,294,430 (after payment of underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded 2000 and 2001 series bonds. As a result, those applicable 2000 and 2001 series bonds are considered to be defeased and have been removed from the Webster Parish Sheriff's government-wide financial statements.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$874,430. This difference, reported in the accompanying financial statements as a deduction from revenue bonds payable, is being charged to operations through the year 2020 using the effective-interest method. The sheriff's office completed the advance refunding to reduce its total debt service costs over the next 14 years by \$230,145 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$224,100.

The following is a summary of long-term obligation transactions for the year ended June 30, 2007:

	<u>Revenue Bonds</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations, June 30, 2006	\$6,733,000	\$575,730	\$7,308,730
Additions:			
Refunding bonds	6,585,000		6,585,000
Compensated absences		377,791	377,791
Deletions:			
Refunded bonds	(\$5,420,000)		(\$5,420,000)
Retired bonds	(247,000)		(247,000)
Compensated absences		(\$302,457)	(302,457)
Adjustment*		26,308	26,308
Long-term obligations, June 30, 2007	<u>\$7,651,000</u>	<u>\$677,372</u>	<u>\$8,328,372</u>

* Adjustment has been made to account for differences between beginning and ending rates of pay.

Revenue bonds payable at June 30, 2007, are comprised of the following individual issues:

\$1,055,000 - dated July 1, 2000. Principal is due in annual installments of \$135,000 to \$161,000 through November 1, 2010, with interest at 6.15 per cent. Debt retirement payments are made from the Detention Center Fund.	\$591,000
\$595,000 - dated June 1, 2001. The principal is due in annual installments of \$90,000 to \$115,000 through November 1, 2011, with interest at 6.0 to 7.3 per cent. Debt retirement payments are made from the Detention Center Fund.	510,000

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

\$6,585,000 - dated September 20, 2006. The principal is due in annual installments of \$35,000 to \$720,000 through November 1, 2020, with interest at 4.0 to 4.5 per cent. Debt retirement payments are made from the Detention Center Fund.

Total revenue bonds

\$6,550,000\$7,651,000

As shown on Statement C, \$3,651,874 is available in the Detention Center Fund to service the revenue bonds. The annual requirements to amortize outstanding bonds at June 30, 2007, are as follows:

Year Ended June 30:	Issue of 2000		Issue of 2001		Issue of 2006		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$135,000	\$32,195	\$90,000	\$29,605	\$110,000	\$277,128	\$335,000	\$338,928
2009	143,000	23,647	95,000	24,055	115,000	272,627	353,000	320,329
2010	152,000	14,575	100,000	18,155	115,000	268,028	367,000	300,758
2011	161,000	4,951	110,000	11,750	120,000	263,328	391,000	280,029
2012			115,000	4,197	405,000	252,827	520,000	257,024
2013-2017					2,925,000	933,229	2,925,000	933,229
2018-2021					2,760,000	250,087	2,760,000	250,087
Total	<u>\$591,000</u>	<u>\$75,368</u>	<u>\$510,000</u>	<u>\$87,762</u>	<u>\$6,550,000</u>	<u>\$2,517,254</u>	<u>\$7,651,000</u>	<u>\$2,680,384</u>

6. POST RETIREMENT BENEFITS

The Webster Parish Sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff's office. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the sheriff. Three retirees are eligible for the post-retirement benefits and all participate. The sheriff recognizes the cost of providing these benefits (the sheriff's cost of premiums) as an expenditure when the monthly premiums are due, which was \$733,315 for the year ended June 30, 2007. Of that amount, \$76,979 was for retiree benefits.

7. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Tax Collector Fund	Civil Fund	Criminal Fund	Inmate Funds	Total
Balance at June 30, 2006	\$141,460	\$24	\$116,980	\$366,488	\$624,952
Additions	16,580,124	1,585,051	1,144,319	2,067,093	21,376,587
Reductions	(16,578,643)	(1,585,029)	(1,061,905)	(1,991,804)	(21,217,381)
Balance at June 30, 2007	<u>\$142,941</u>	<u>\$46</u>	<u>\$199,394</u>	<u>\$441,777</u>	<u>\$784,158</u>

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

8. LITIGATION AND CLAIMS

At June 30, 2007, the Webster Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

**9. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The Webster Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Webster Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

WEBSTER PARISH SHERIFF
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2007

	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Ad valorem taxes	\$2,020,000	\$2,126,104	\$106,104
Intergovernmental revenues:			
Federal grants	15,000	91,693	76,693
State grants:			
State supplemental pay	190,000	223,238	33,238
State revenue sharing (net)	100,000	102,064	2,064
Video poker	360,000	441,806	81,806
Other	79,000	31,636	(47,364)
Local grants	173,000	40,595	(132,405)
Fees, charges, and commissions for services:			
Commissions on licenses and taxes	102,000	121,838	19,838
Civil and criminal fees	366,830	407,519	40,689
Court attendance	8,600	8,568	(32)
Other	105	6,707	6,602
Use of money and property	5,000	7,931	2,931
Miscellaneous	33,810	89,661	55,851
Total revenues	<u>3,453,345</u>	<u>3,699,360</u>	<u>246,015</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and benefits	2,903,506	2,897,588	5,918
Operating services	759,114	805,621	(46,507)
Materials and supplies	281,100	302,057	(20,957)
Travel and other charges	33,500	27,430	6,070
Capital outlay	415,461	172,865	242,596
Total expenditures	<u>4,392,681</u>	<u>4,205,561</u>	<u>187,120</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(939,336)</u>	<u>(506,201)</u>	<u>433,135</u>
OTHER FINANCING SOURCES			
Proceeds from insurance		32,988	32,988
Proceeds from seized drug property sale	15,000	8,019	(6,981)
Proceeds from sale of assets	5,000		(5,000)
Operating transfers in	919,336	921,606	2,270
Total other financing sources	<u>939,336</u>	<u>962,613</u>	<u>23,277</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>NONE</u>	<u>456,412</u>	<u>456,412</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>NONE</u>	<u>1,086,805</u>	<u>1,086,805</u>
FUND BALANCES AT END OF YEAR	<u>NONE</u>	<u>\$1,543,217</u>	<u>\$1,543,217</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Fees, charges, and commissions for services -				
Feeding and keeping of prisoners	\$4,090,500	\$4,090,500	\$4,539,517	\$449,017
Use of money and property	300	300	126,351	126,051
Other revenue	534,200	534,200	6,981	(527,219)
Total revenues	<u>4,625,000</u>	<u>4,625,000</u>	<u>4,672,849</u>	<u>47,849</u>
EXPENDITURES				
Personal services and benefits	2,678,086	2,678,086	2,697,270	(19,184)
Operating services	1,090,750	1,090,750	742,763	347,987
Materials and supplies	269,500	346,204	366,260	(20,056)
Travel and other charges	10,630	10,630	8,424	2,206
Debt service	1,405,370	1,405,370	788,023	617,347
Capital outlay	90,000	90,000	59,540	30,460
Total expenditures	<u>5,544,336</u>	<u>5,621,040</u>	<u>4,662,280</u>	<u>958,760</u>
EXCESS OF REVENUES OVER EXPENDITURES	(919,336)	(996,040)	10,569	1,006,609
OTHER FINANCING USE				
Proceeds from revenue bonds			6,585,000	6,585,000
Payment to escrow agent			(6,294,430)	(6,294,430)
Discount on refunding bonds			(103,447)	(103,447)
Transfer in	919,336	919,336	936,726	17,390
Total Other Financing Sources	<u>919,336</u>	<u>919,336</u>	<u>1,123,849</u>	<u>204,513</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	NONE	(76,704)	1,134,418	1,211,122
FUND BALANCES AT BEGINNING OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>3,284,534</u>	<u>3,284,534</u>
FUND BALANCES (Deficit) AT END OF YEAR	<u>NONE</u>	<u>(\$76,704)</u>	<u>\$4,418,952</u>	<u>\$4,291,143</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE
SALARY
For the Year Ended June 30, 2007

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Sales tax	<u>\$2,653,500</u>	<u>\$2,653,500</u>	<u>\$2,926,260</u>	<u>\$272,760</u>
OTHER FINANCING USE				
Transfer out	<u>(2,653,500)</u>	<u>(2,653,500)</u>	<u>(1,858,332)</u>	<u>795,168</u>
EXCESS OF REVENUES OVER OTHER USE	NONE	NONE	1,067,928	1,067,928
FUND BALANCES AT BEGINNING OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>1,527,007</u>	<u>1,527,007</u>
FUND BALANCES AT END OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>\$2,594,935</u>	<u>\$1,527,007</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2007

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Webster Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedules include the original adopted budget amounts and all subsequent amendments.

OTHER SUPPLEMENTARY INFORMATION

PART III

WEBSTER PARISH SHERIFF
Minden, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2007

FIDUCIARY FUND TYPE - AGENCY FUNDS

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes, licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

CIVIL FUND

The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments. Payment of these collections to recipients are made in accordance with applicable laws.

CRIMINAL FUND

The Criminal Fund is a depository for fines, forfeitures, and costs in criminal cases. Payments are made from the fund to the Sheriff's General Fund, police jury, district attorney, clerk of court, and other recipients in accordance with applicable laws.

INMATE FUND

The Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center.

WEBSTER PARISH SHERIFF
Minden, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Balances
Due to Taxing Bodies and Others
For the Year Ended June 30, 2007

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT BEGINNING OF YEAR	<u>\$141,460</u>	<u>\$24</u>	<u>\$116,980</u>	<u>\$366,488</u>	<u>\$624,952</u>
ADDITIONS					
Deposits :					
Civil suits, sales, and seizures		1,585,051			1,585,051
Fines and forfeitures			1,142,873		1,142,873
Ad valorem taxes - current year	15,637,456				15,637,456
Prior year taxes	2,690				2,690
State Revenue Sharing	856,764				856,764
Parish licenses	1,440				1,440
Interest on:					
NOW account	479				479
Prior year taxes	483				483
Delinquent taxes	14,817				14,817
License account	6				6
Protested taxes held in escrow	2,121				2,121
Redemptions	5,326				5,326
Tax notices	27,797				27,797
Other additions	30,745		1,446	2,067,093	2,099,284
Total additions	<u>16,580,124</u>	<u>1,585,051</u>	<u>1,144,319</u>	<u>2,067,093</u>	<u>21,376,587</u>
Total	<u>16,721,584</u>	<u>1,585,075</u>	<u>1,261,299</u>	<u>2,433,581</u>	<u>22,001,539</u>
REDUCTIONS					
Deposits, taxes, fees, etc. settled to:					
Louisiana Department of Forestry	15,802				15,802
Louisiana Tax Commission	2,792				2,792
Webster Parish:					
Assessor	1,300,486				1,300,486
Clerk of Court	1,120	45,201	25,986		72,307
Police Jury	3,443,255		335,387		3,778,642
School Board	8,047,919				8,047,919
Sheriff	2,233,587	116,716	268,698		2,619,001
Industrial Districts	280,618				280,618
Fire protection districts	740,033				740,033

WEBSTER PARISH SHERIFF

Minden, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUND

Combining Schedule of Changes in Balances

Due to Taxing Bodies and Others, etc.

	<u>TAX COLLECTOR FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE FUNDS</u>	<u>TOTAL</u>
Pension funds	\$473,592				\$473,592
District attorney			\$141,231		141,231
Judicial expense fund			57,669		57,669
Refunds	30,745				30,745
Redemptions	5,186				5,186
Indigent defender board			121,172		121,172
Northwest Louisiana Crime Laboratory			35,217		35,217
Litigants		\$1,131,926			1,131,926
Attorneys, appraisers, etc.		16,120			16,120
Storage and wrecker charges		6,238			6,238
Other reductions	<u>3,508</u>	<u>268,828</u>	<u>76,545</u>	<u>\$1,991,804</u>	<u>2,340,685</u>
Total reductions	<u>16,578,643</u>	<u>1,585,029</u>	<u>1,061,905</u>	<u>1,991,804</u>	<u>21,217,381</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT END OF YEAR	<u><u>\$142,941</u></u>	<u><u>\$46</u></u>	<u><u>\$199,394</u></u>	<u><u>\$441,777</u></u>	<u><u>\$784,158</u></u>

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent Auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

WEBSTER PARISH SHERIFF
Minden, Louisiana

I have audited the basic financial statements of the Webster Parish Sheriff, a component unit of the Webster Parish Police Jury, as of and for the year ended June 30, 2007 and have issued my report thereon dated November 23, 2007. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Webster Parish Sheriff's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Webster Parish Sheriff's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Webster Parish Sheriff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Webster Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Webster Parish Sheriff's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Webster Parish Sheriff's internal control.

WEBSTER PARISH SHERIFF

Minden, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

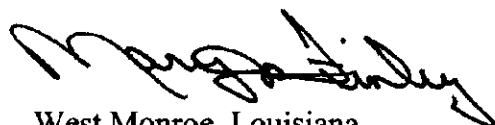
June 30, 2007

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Webster Parish Sheriff's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is included as finding 07-01 in the accompanying schedule of findings and questioned costs.

This report is intended solely for the information and use of the Webster Parish Sheriff, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana

November 23, 2007

WEBSTER PARISH SHERIFF
Minden, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unqualified opinion on the basic financial statements of the Webster Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Webster Parish Sheriff were disclosed during the audit.
3. One reportable condition relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

07-01 Need to Comply With Budget Act

Finding: The sheriff's office did not comply with the Local Government Budget Act. LSA-R.S. 39:1310(B) requires that in no event shall a budget amendment be adopted proposing expenditures which exceed the total of estimated funds available for the fiscal year. The sheriff's office amended the detention center budget for expenditures which left a deficit balance.

The sheriff's office did not comply with the Local Government Budget Act. LSA-R.S. 39:1310-1311 requires, among other things, that the sheriff amend an individual fund's budget when actual expenditures and other uses to date plus projected amounts to year-end are exceeding budgeted amounts by five percent or more. The Detention Center fund actual expenditures and other uses exceeded budgeted amounts by approximately 49%. The sheriff's office failed to budget the refinancing of bonds.

Recommendation: Management must monitor budget amendments to ensure that budget amendments do not cause a deficit ending fund balance and all activities of the sheriff's office should be budgeted.

**WEBSTER PARISH SHERIFF
Minden, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2007**

There were no audit findings reported in the audit for the year ended June 30, 2006.



SHERIFF

WEBSTER PARISH

GARY SEXTON

410 Main
P.O. Box 877
Minden, Louisiana 71058-0877
(318) 377-1515

November 23, 2007

State of Louisiana
Legislative Auditor
Steve J. Theriot, CPA
1600 North Third Street
Baton Rouge, LA 70802

Mr. Theriot:

In regard to finding 07-01 from the Webster Parish Sheriffs Office for the year end June 30, 2007, please accept the following response.

The amended revenues for the detention center were not published due to the increase. The revenue increase should have published due to the deficit left by increasing the expenditures. This will be amended appropriately in the future.

The amendments for the detention center budget did not take into consideration the refunding bonds. All transactions for the refunding bonds were administered by the Trust Agency and the Webster Parish Sheriffs Office did not realize the requirements of reporting amendments for these transactions. All transactions will be considered in the future.

Sincerely,

Gary S Sexton, Sheriff
Webster Parish